

COOKING: New restaurants head to lower rents, affluent tastes of downtown Morgan Hill

CONTINUED FROM PAGE 1

The new arrivals come to Morgan Hill on their own dime these days because the city can no longer afford to offer financial incentives, according to David Heindel, a consultant to the city working on downtown redevelopment.

Restaurateurs are also attracted by lower retail rents than in cities to the north. Asking monthly lease rates of \$1.50 to \$2 per square foot in downtown Morgan Hill are half that of downtown Los Gatos, according to David Taxin, partner at San Jose retail brokerage firm Meacham Openheimer Inc.

Bring on the foodies

High-end restaurant Odeum opened its 2,500-square-foot location at The Granary complex, which was formerly occupied by La Mangia restaurant. Nearby, Ladera Grill opened in a 4,650-square-foot space at the corner of Third and Monterey streets.

Frank Klein, a Palo Alto-based restaurant industry consultant who is CEO of FK Restaurants and Hospitality, said upscale restaurants in “restaurant-saturated” cities like San Francisco struggled during the poor economy. But in Morgan Hill, they probably have a better shot at success.

“There’s a strong need in the upscale category in cities like Morgan Hill, and opportunity throughout the restaurant segment is there,” said Klein, citing the city’s growing affluence.

He said Morgan Hill residents may have had to drive to get a good meal in the past, but they would prefer not to.

Rosy Bergin is both a new and veteran downtown restaurateur. Her popular 1,200-square-foot Rosy’s At The Beach restaurant has been drawing diners downtown since 1998. Now she has a second venue, Bubbles Wine Bar, across Monterey Street. Bergin said she opened the 3,500-square-foot wine bar as a complement to restaurants downtown, inviting diners to stop in for wine, beer, sparkling wines and light food before going to dinner.

Rosy’s At The Beach is largely a local hangout during the week, but she said it has become a magnet for out-of-town travelers who stop for lunch or dinner on weekends.

“Drawing more restaurants downtown helps all of us,” she said. “They draw more locals and people from outside the area. The competition helps all of us.”

DAVID GOLL can be reached at 408.299.1853 or dgoll@bizjournals.com.



VICKI THOMPSON

STAR SIGHTING: Salvatore Calisi brings a Michelin star and his own private orchard to Odeum.

Napa style in Morgan Hill

BY DAVID GOLL

The arrival in town of Salvatore Calisi — a transplanted New Yorker who recently was awarded the prestigious Michelin star for his work as executive chef at Dio Deka restaurant in Los Gatos — has generated buzz in a city unaccustomed to star power.

Calisi, who worked with such Big Apple luminaries such as Charlie Palmer at Aureole, Rocco DiSpirito at Union Pacific and Scott Bryan at Veritas, opened Odeum in The Granary complex, at First and Depot streets. He describes his mix of Greek, Italian and Spanish dishes as “artisanal Mediterranean cuisine.”

“Morgan Hill has become sort of a little Napa Valley,” said Calisi, sitting down at one of his tables after a weekday lunch rush. “You have the wineries, the farms and beautiful surroundings. People here have more sophisticated palates. They’re ready for this kind of restaurant.”

He has created a Napa culinary aura at Odeum, which seats 75 inside, 30 on a landscaped outside patio and 85 in its banquet facilities. He buys much of his produce from local organic farmers and has his own “private orchard” of plum, peach and fig trees. He makes many of his own ingredients on site and prominently features wines from such local producers as Aver Family Vineyards, Guglielmo Winery and Jason-Stephens Winery.

“We are the first Morgan Hill restaurant to compost,” he said.

Calisi opened Odeum with his business and personal partner Ashley Polston, an associate at the San Jose law firm of DiNapoli & Sibley. He said he has worked hard to keep prices reasonable at his new eatery — with most lunch offerings in the \$10 to \$12 range and dinner entrees from \$23 to \$38. He declined to disclose how much he and Polston have invested in the business.



New restaurants in 2011:

- | | |
|---|--|
| 1. Simmering Pho Cafe: Vietnamese cuisine | 6. Noah's BBQ Smokehouse: Barbecue |
| 2. Odeum: Mediterranean cuisine | 7. Champs Family Bar & Grill: American sports bar-style cuisine |
| 3. A-Jay's: Cheesesteaks | 8. Huntington Station Restaurant and Sports Pub: American sports bar-style cuisine |
| 4. Toto Trattoria: Italian cuisine | 9. Ladera Grill: Contemporary Italian and American cuisine |
| 5. Bubbles Wine Bar: Wine, beer, champagne and light food | |

From deli to fine dining

BY DAVID GOLL

At Ladera Grill, at the corner of Third and Monterey streets, co-owner Dan McCranie has dramatically transformed a former delicatessen into a fine dining establishment serving contemporary American fare.

The former tech executive has an impressive Silicon Valley pedigree. He worked as an executive at Cypress Semiconductor Corp. and Seeq Technology Inc. and still serves on the boards of Cypress and other local companies. McCranie has invested about \$1 million in the restaurant. His partners are gen-

eral manager Jim Hayter and executive chef Tony Garcia.

McCranie said he became semi-retired 10 years ago, but “retirement just didn’t take with me.” He continued to serve on tech company boards and sought new business opportunities like Ladera Grill.

“I’m all tech, zero restaurants,” McCranie said with a laugh when asked to describe his career transition. “I have a great team. And we’re in a great location with its proximity to the Third Street Promenade. Seasonal events like the ‘Taste of Morgan Hill’ and Fourth of July festivities draw lots of people who are finding out we’re here.”



LADERA GRILL: From left, Dan McCranie, Tony Garcia and Jim Hayter have teamed up to bring contemporary American fare to Morgan Hill.

VICKI THOMPSON